

CHAPTER 101**(SB 117)**

AN ACT relating to fire protection sprinkler contractors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 198B.595 is amended to read as follows:

- (1) The commissioner shall not issue a license under KRS 198B.560 and 198B.580, unless the fire protection sprinkler contractor applicant files with the commissioner proof of liability insurance coverage of not less than two hundred and fifty thousand dollars (\$250,000) one person/maximum and five hundred thousand dollars (\$500,000) one accident/maximum and workers' compensation insurance as provided for in KRS Chapter 342.
- (2) The *worker's compensation* insurance required by this section must be in the form of certificate of insurance executed by an insurer authorized to do business in this state ~~and countersigned by a local agent licensed in this state~~. ***The liability insurance required by this section shall be professional liability insurance that covers the legal liability of the licensed person as the result of erroneous acts or failure to act in his or her capacity as a fire protection sprinkler contractor and shall be in the form of certificate of insurance executed by an insurer authorized to do business in this state or exported by a licensed surplus lines broker to an eligible carrier pursuant to KRS 304.10-020 to 304.10-210.*** Insurance certificates filed with the commissioner under this section shall remain in force until the insurer has terminated future liability by a thirty (30) day notice to the commissioner.
- (3) Failure to maintain the insurance required hereunder constitutes grounds for denial, suspension or revocation of a license under KRS 198B.620 by the commissioner.

Approved March 28, 2002